

RENTAL ASSISTANCE AGREEMENT

CASE NO.

PROJECT NO.

This Agreement is effective on the 1st day of _____, _____
between _____
“borrower”) and its successors and the United States of America acting through the Rural Housing Service (“the Government”) pursuant to section 521(a)(2)(A) of Title V of the Housing Act of 1949.

In consideration of the mutual covenants set forth, the parties agree as follows:

Section 1 The Government agrees to provide rental assistance in accordance with its governing rules and regulations for the number of units of housing provided according to the attached Form RD 3560-51 (Part III), “Multiple Housing Obligation-Fund Analysis,” or RD 3560-55, “Multiple Family Housing Transfer of Rental Assistance,” for the project located at _____

and known as _____ consisting of _____ units. The Government will pay the difference between the Government approved shelter cost for the project and the monthly tenant contribution as calculated and certified for each tenant household on Form RD 3560-8, “Tenant Certification.” Additional attachments of Form 3560-51 (Part III) or Form RD 3560-55 may be made to, and shall become a part of, this Agreement when properly identified by case number, project number, dated, and duly executed by both parties.

Section 2 The borrower agrees to abide by the present and future regulations of the Government in the administration of this program.

Section 3 Borrower agrees to use due diligence in the verification and certification of tenants’ incomes.

Section 4 In the event that any tenant suffers a hardship because rental assistance may not be available in the project because of the limitations on the number of units from the Government, the borrower may request additional units. If the Government provides additional units, then copies of the obligation screens will be attached by the Government to, and become a part of, this Agreement.

Section 5 Borrower agrees to comply with Government priorities for selecting tenants that receive rental assistance.

Section 6 Provisions Applicable if the Borrower is a Cooperative -

When the Borrower is a Cooperative:

(a) The term “tenant or occupant” will include a member of a cooperative. The term “household contribution” or “rent” will include the charges under the occupancy agreement between the member and the cooperative.

(b) A member of a cooperative approved for rental assistance shall agree that upon a sale of their membership, any equity attributable to supplemental rent payments will be paid to the Government through the cooperative.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and

Section 7 Renegotiation, Modification, Transfer, Termination -

- (a) The provisions of the Agreement may be modified, amended, or terminated, upon written agreement of the parties.
- (b) If the borrower defaults on any provision of the loan agreement, resolution, note, interest credit agreement, security instrument, or other supplementary or related agreements, or violates any program regulations, then the Government may suspend or terminate this Agreement on any specified date following the default.
- (c) If the Government determines that rental assistance units are not being used after initial rent-up or are not needed because of a lack of eligible tenants in the area, then they may be transferred to another project.

Section 8 Term of Agreement and Condition for Termination -

- (a) This Agreement and its attachments, and any additional rental assistance will expire automatically upon total disbursement or credit of rental assistance to the borrower's account, unless earlier suspended, transferred or terminated according to section 7 of this Agreement.
- (b) The attachments, Form RD 3560-51 (Part III) or RD 3560-55, to this Agreement are not renewable. If additional rental assistance is needed, the borrower may submit a "Request for Rental Assistance" on Form RD 3560-7 (Budget) at anytime. If additional or replacement units are provided, a copy of the AMAS Screen M1BI will be attached to and become a part this Agreement.

Section 9 Special Conditions - The borrower agrees that RD may attach a duly executed Form RD 3560-51 (Part III) or RD 3560-55 to this Agreement and that it becomes a part hereof, and may be identified in section 10 below.

(*Borrower*)

RURAL HOUSING SERVICE

By: _____

Date: _____

Section 10 Record of Attachments For RD 3560-51 (Part III) or RD 3560-55

[illegible]